

AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

**No. 2664**

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**Introduced by Assembly Member Irwin**

February 19, 2016

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An act to ~~amend Section 69431~~ add Chapter 14.5 (commencing with Section 92965) to Part 57 of Division 9 of Title 3 of the Education Code, relating to ~~student financial aid~~ the University of California, and making an appropriation therefor.

### LEGISLATIVE COUNSEL'S DIGEST

AB 2664, as amended, Irwin. ~~Cal Grant Program—University of California: innovation and entrepreneurship expansion.~~

Existing law establishes the University of California, under the administration of the Regents of the University of California, as one of the segments of public postsecondary education in this state. The University of California comprises 10 campuses, which are located at Berkeley, Davis, Irvine, Los Angeles, Merced, Riverside, San Diego, San Francisco, Santa Barbara, and Santa Cruz, and other facilities operated by the university, including the Lawrence Berkeley National Laboratory.

This bill would provide funding to the University of California to expand the infrastructure necessary to increase innovation and entrepreneurship for the purpose of creating economic development. The bill would specify the manner in which funding provided under the bill could be used by the University of California. The bill would require the University of California to report to the Department of Finance and the Legislature annually on the use of the funding provided for purposes of the bill.

*The bill would appropriate \$66,000,000 from the General Fund to the Regents of the University of California for allocation, for purposes of the bill, in equal amounts in the 3 fiscal years from 2017–18 to 2019–20, inclusive.*

~~Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program (Cal Grant Program), establishes the Cal Grant A and B Entitlement Awards, the California Community College Transfer Entitlement Awards, the Competitive Cal Grant A and B Awards, the Cal Grant C Awards, and the Cal Grant T Awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions.~~

~~This bill would make a technical, nonsubstantive change to the provision that establishes the Cal Grant Program.~~

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     *SECTION 1. With respect to innovation and entrepreneurship*
- 2     *expansion at the University of California, the Legislature finds*
- 3     *and declares all of the following:*
- 4     *(a) The State of California is well-positioned to harness the*
- 5     *power of the University of California's expertise to spur economic*
- 6     *development.*
- 7     *(b) The University of California contributed to the foundational*
- 8     *research breakthroughs that launched some of California's*
- 9     *strongest industries, including aerospace, agriculture,*
- 10    *biotechnology, computers and semiconductors,*
- 11    *telecommunications, and digital media.*
- 12    *(c) Research at the University of California continues to create*
- 13    *new inventions that will be the genesis of tomorrow's industries,*
- 14    *companies, and commercial successes.*
- 15    *(d) Innovation and entrepreneurship at the University of*
- 16    *California create equitable economic development throughout*
- 17    *California.*
- 18    *(e) It is therefore the intent of the Legislature to provide funds*
- 19    *to establish or expand the infrastructure at each campus and the*
- 20    *Lawrence Berkeley National Laboratory (LBNL) to expand*
- 21    *infrastructure necessary to build a network of innovators,*

1 *entrepreneurs, startups, investors, and industry and community*  
2 *partners to spur innovation and economic development in*  
3 *communities surrounding University of California campuses, the*  
4 *LBNL, and across California.*

5 SEC. 2. Chapter 14.5 (commencing with Section 92965) is  
6 added to Part 57 of Division 9 of Title 3 of the Education Code,  
7 to read:

8  
9 CHAPTER 14.5. INNOVATION AND ENTREPRENEURSHIP  
10 EXPANSION  
11

12 92965. (a) Moneys to be appropriated for this chapter shall  
13 be used by the University of California to expand the infrastructure  
14 necessary to increase innovation and entrepreneurship for the  
15 purpose of creating economic development.

16 (b) The funds referenced in subdivision (a) shall be used to fund  
17 innovation and entrepreneurship programs at each campus of the  
18 University of California and the Lawrence Berkeley National  
19 Laboratory (LBNL).

20 (c) The manner in which the funds provided for purposes of this  
21 chapter will be used shall be determined by the University of  
22 California. These uses may include, but shall not necessarily be  
23 limited to, the establishment of programs or projects to facilitate  
24 economic development in communities surrounding the 10  
25 campuses of the University of California, the LBNL, and other  
26 locations across California for purposes such as any of the  
27 following:

28 (1) Providing business training and resources to reduce common  
29 barriers to success for entrepreneurs and startup companies.

30 (2) Offering subsidized work and laboratory space to startups  
31 for prototype development, proof-of-concept research, or both.

32 (3) Providing proof-of-concept funding to increase the likelihood  
33 that entrepreneurs and startup companies will attract venture or  
34 corporate capital backing.

35 (4) Providing mentorship to the underrepresented interested in  
36 entrepreneurial pursuits.

37 (5) Coordinating and aligning innovation functions at a campus  
38 of the university or at the LBNL, and building relationships  
39 between the university environment and successful, independent

enterprises to facilitate the rollout of products to the market and the public.

92966. The University of California shall report to the Department of Finance and the Legislature annually on the use of the funding provided for purposes of this chapter. This annual report shall comply with Section 9795 of the Government Code.

SEC. 3. The sum of sixty-six million dollars (\$66,000,000) is appropriated from the General Fund to the Regents of the University of California for allocation, for purposes of Chapter 14.5 (commencing with Section 92965) of Part 57 of Division 9 of Title 3 of the Education Code, in accordance with the following schedule:

(a) Twenty-two million dollars (\$22,000,000) for expenditure for the 2017–18 fiscal year.

(b) Twenty-two million dollars (\$22,000,000) for expenditure for the 2018–19 fiscal year.

(c) Twenty-two million dollars (\$22,000,000) for expenditure for the 2019–20 fiscal year.

~~SECTION 1. Section 69431 of the Education Code is amended to read:~~

~~69431. There is hereby established the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, which may be referred to as the Cal Grant Program.~~